

Beyond Smart Growth: An Economic Development Strategy for 21st Century Maryland

March, 2015

<http://smartgrowth.umd.edu/SEED.html>



Background



- Source of Funds: Surdna Foundation
- Objective: Introduce Economic Development and Equity into PlanMaryland
- Project Partners:
 - Central Maryland Transportation Alliance
 - Jobs Opportunity Task Force
 - BRIDGE
 - 1000 Friends of Maryland
 - Maryland Department of Planning

SEED Partners



- Project Deliverables:
 - Challenges and Opportunities for Economic Prosperity in the 21st Century
 - The Poor, the Unemployed, the Overburdened, but not Forgotten
 - Beyond Smart Growth: An Economic Development Strategy for 21st Century Maryland
 - Placing Jobs: Good Planning Promotes Economic Development

Key Findings

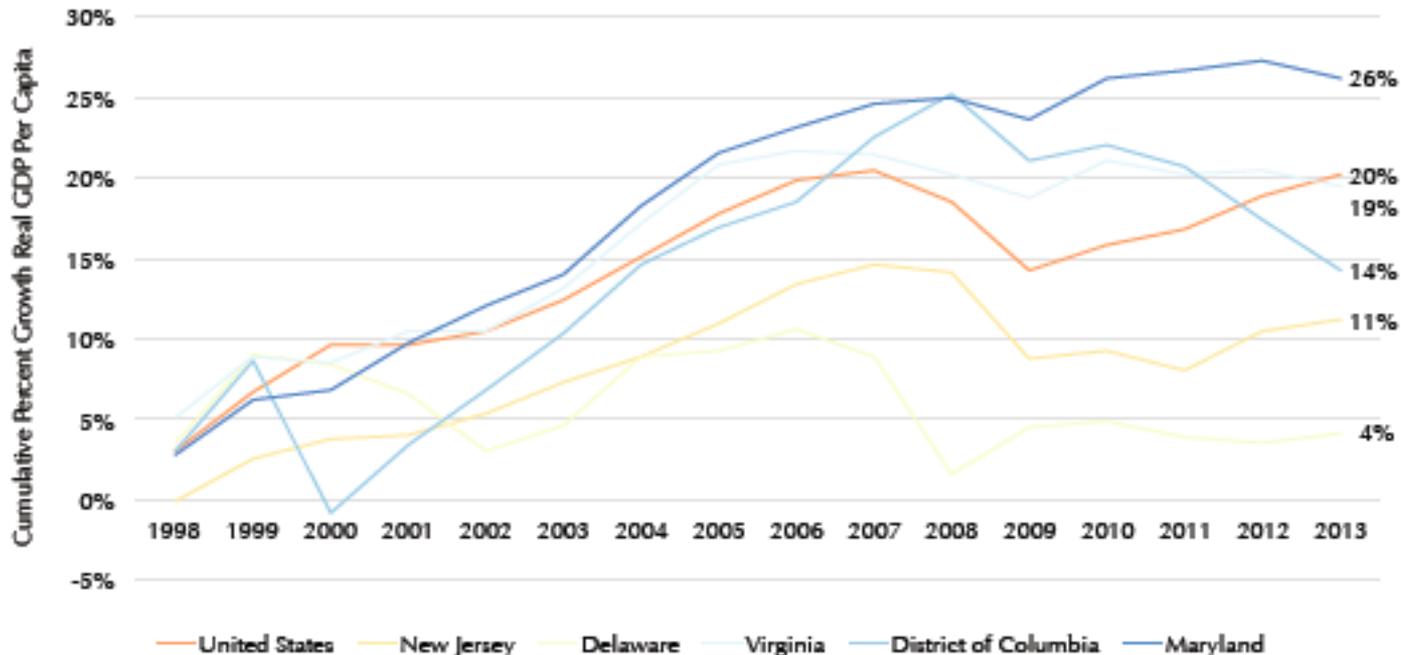


- Over the long run, the Maryland Economy continues to perform well, but
 - Growth has slowed substantially in recent years
 - Inequality continues to rise
 - Prosperity varies extensively by region
 - Housing affordability remains a pervasive problem
 - Traffic congestion will continue to rise
 - The Maryland economy of the future is likely to look a lot like it looks now.

Over the Long Run the Maryland Economy has performed well, but



Figure 4.2 Cumulative Percent Growth in Real per Capita GDP for Maryland, Comparison States, and the U.S., 1998 to 2013

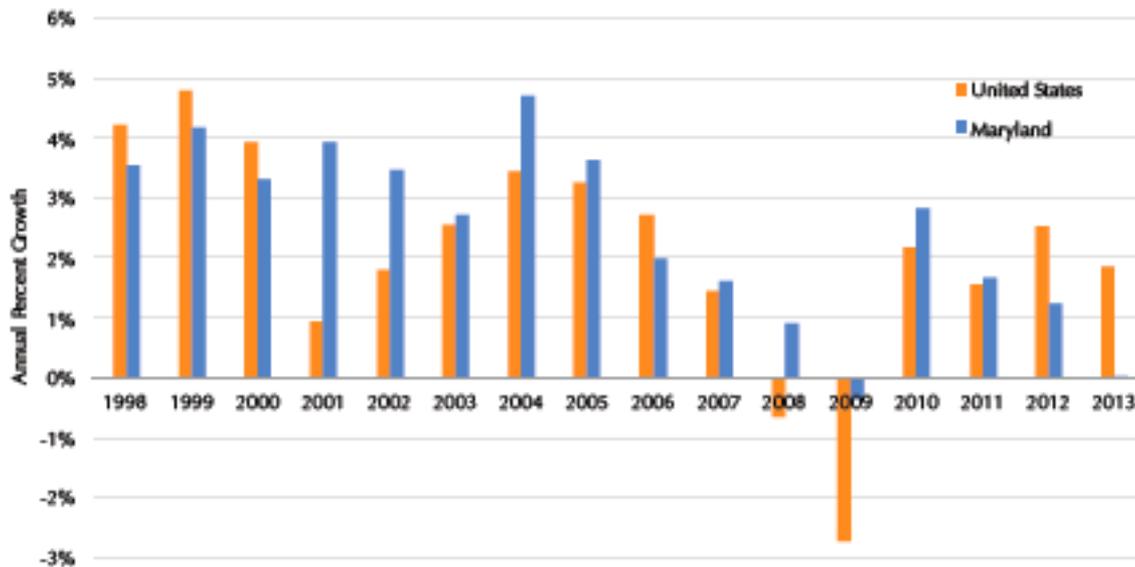


Source: Bureau of Economic Analysis.

Growth of the Maryland Economy has Slowed Recently



Figure 4.1 Annual Percentage Growth in Real GDP for Maryland and the U.S., 1998 to 2013

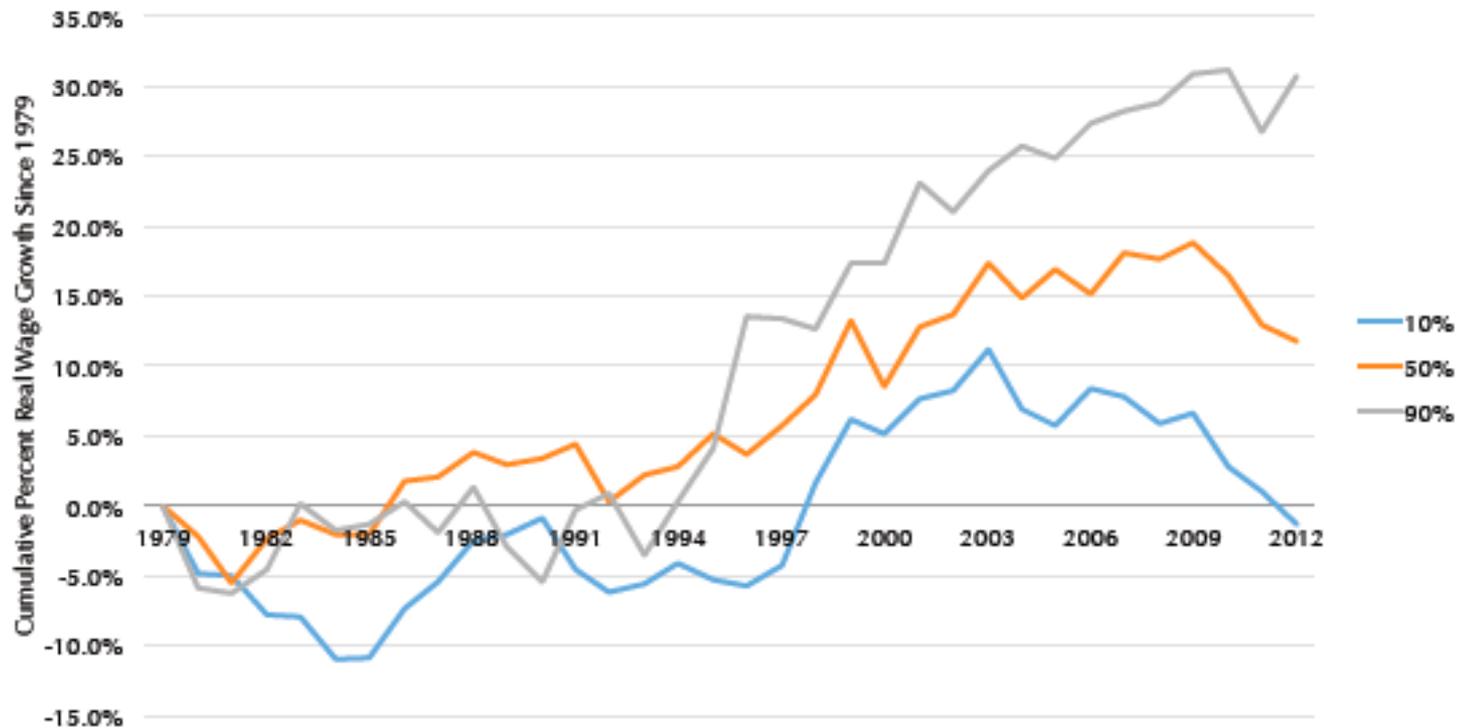


Source: Bureau of Economic Analysis.

Inequality Continues to Rise



Figure 4.2 Cumulative Percent Real Wage Growth for Selected Percentiles for Maryland Workers, 1979 to 2012

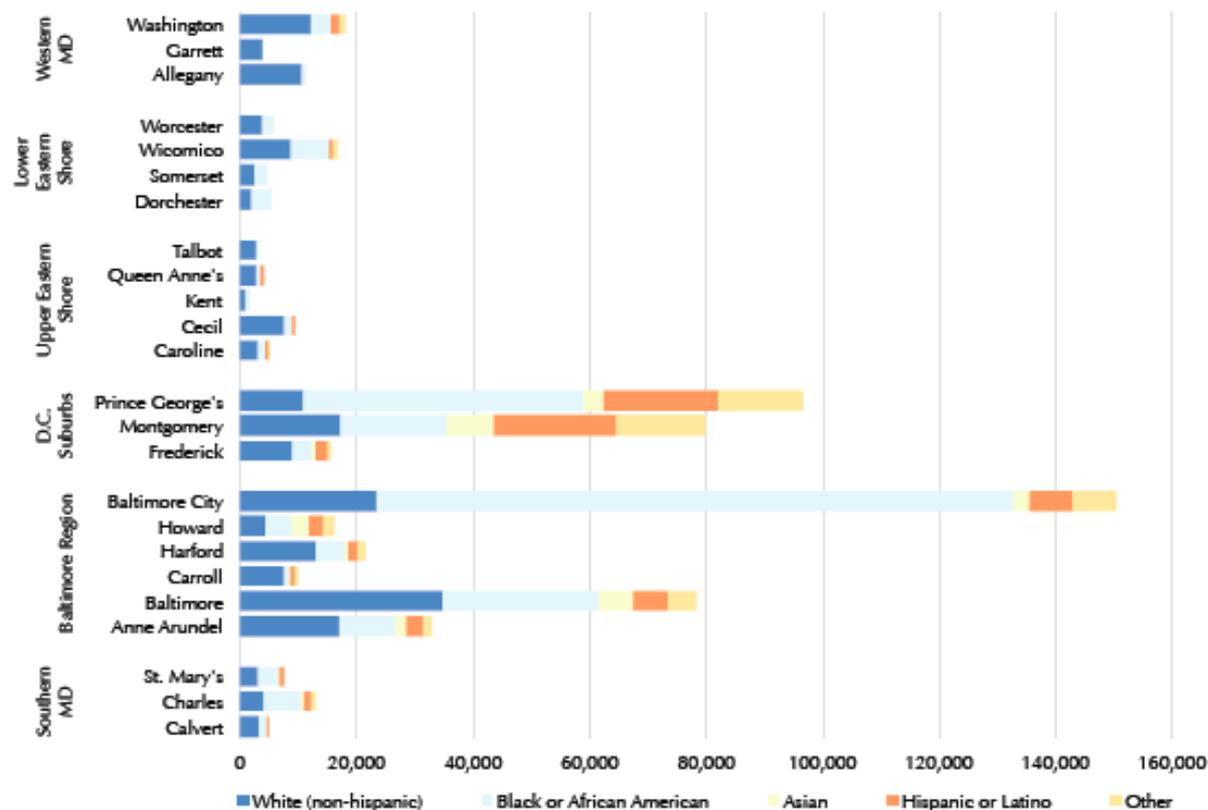


Source: Economic Policy Institute analysis of the Current Population Survey.

The Poor in Maryland are Disproportionately: minority and live in FHH, in BACI, BACO, MOCO, and PGCO



Figure 4.3 Race and Ethnicity of People below Poverty Level for Maryland Regions, 2013

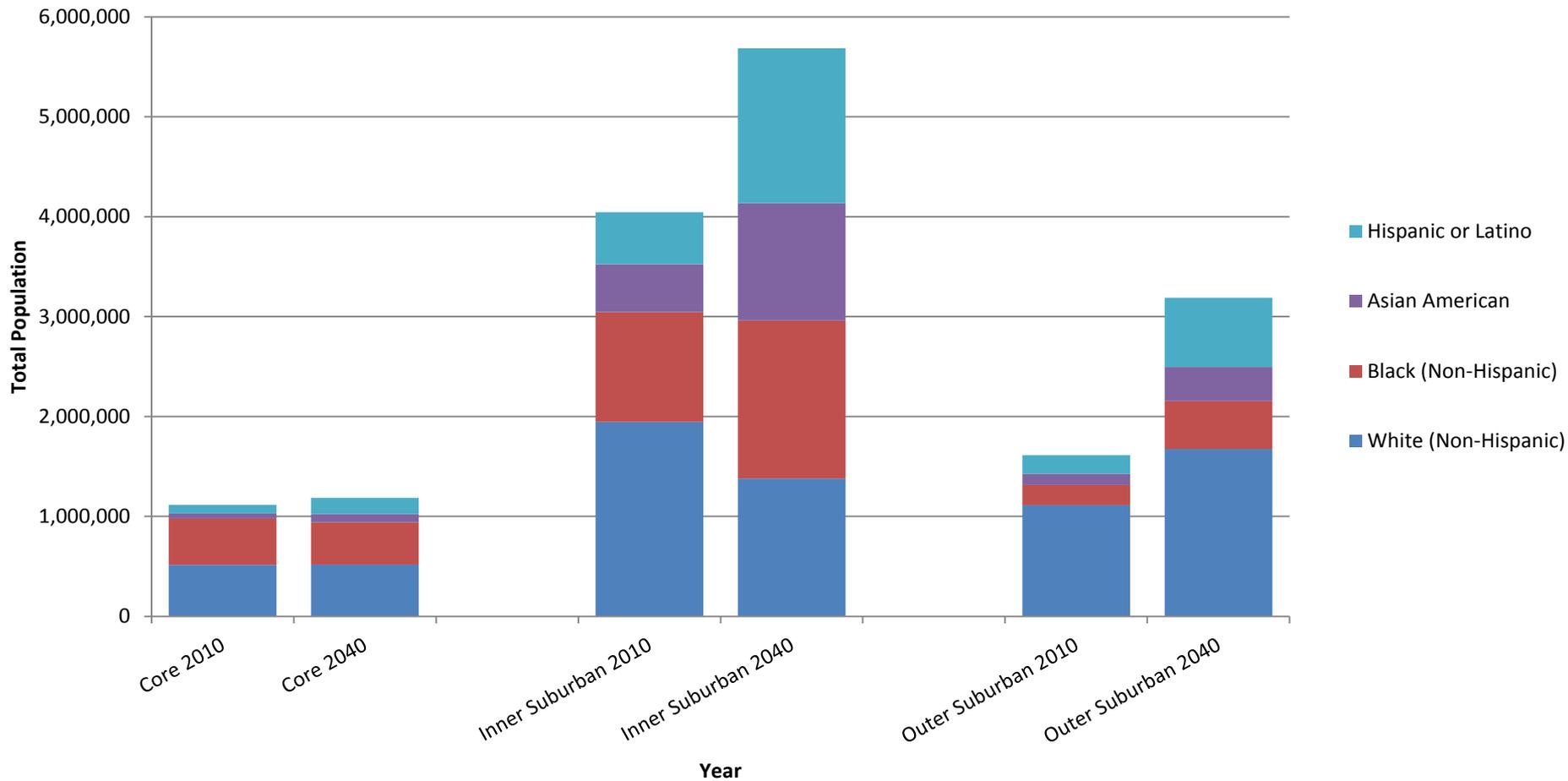


Source: U.S. Census Bureau, American Community Survey, 2011-13 3-Year Estimates.

Welcome the Multicultural Suburbs



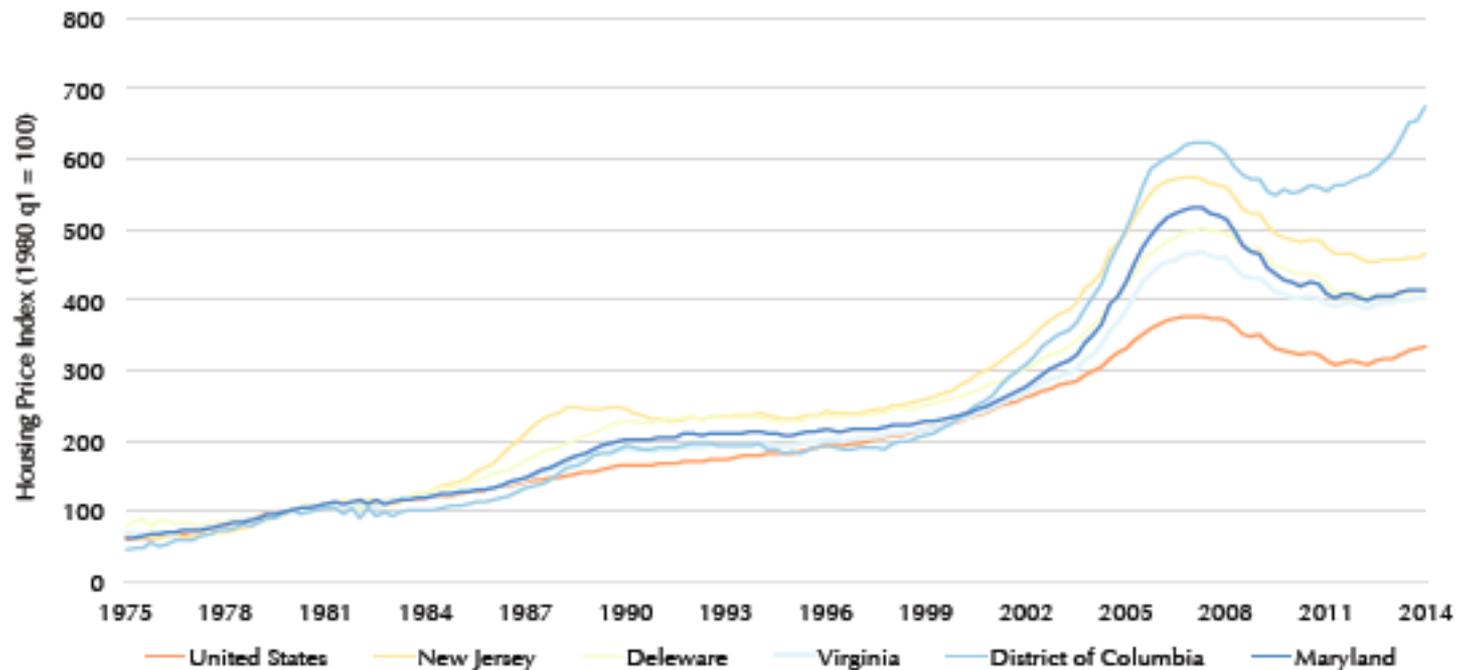
Total Population by Race & Sub-Region: Baltimore-Washington Region



Housing Affordability Continues to Decline



Figure 4.5 Housing Price Index for Maryland, Comparison States, and the U.S., 1975 to 2013

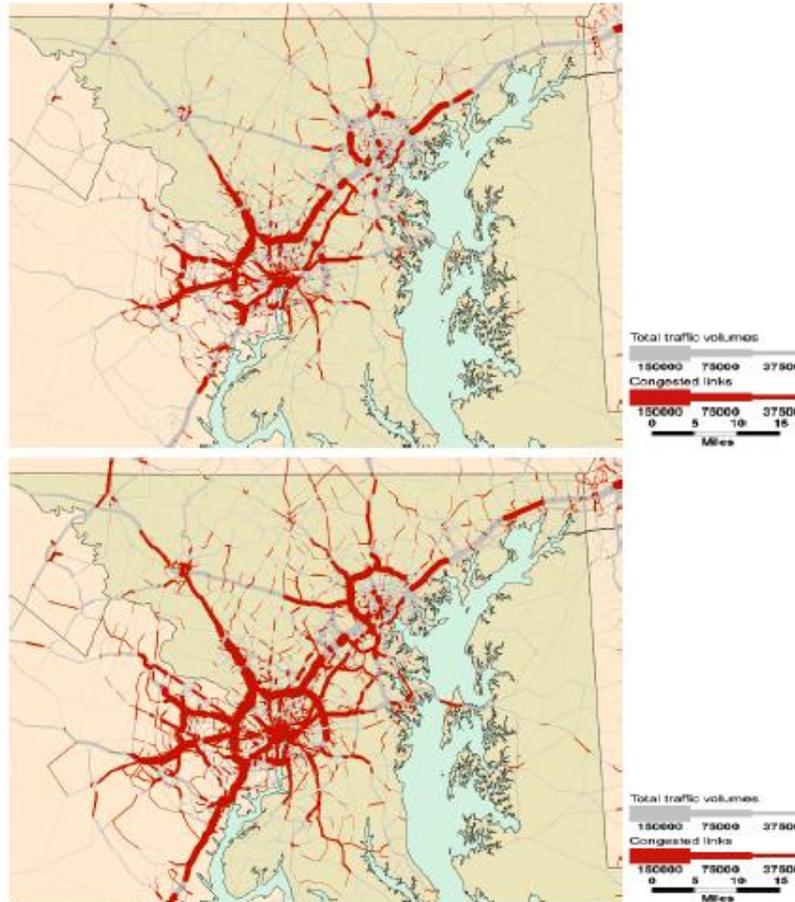


Source: Federal Housing Finance Agency.

Traffic Congestion will Continue to Rise

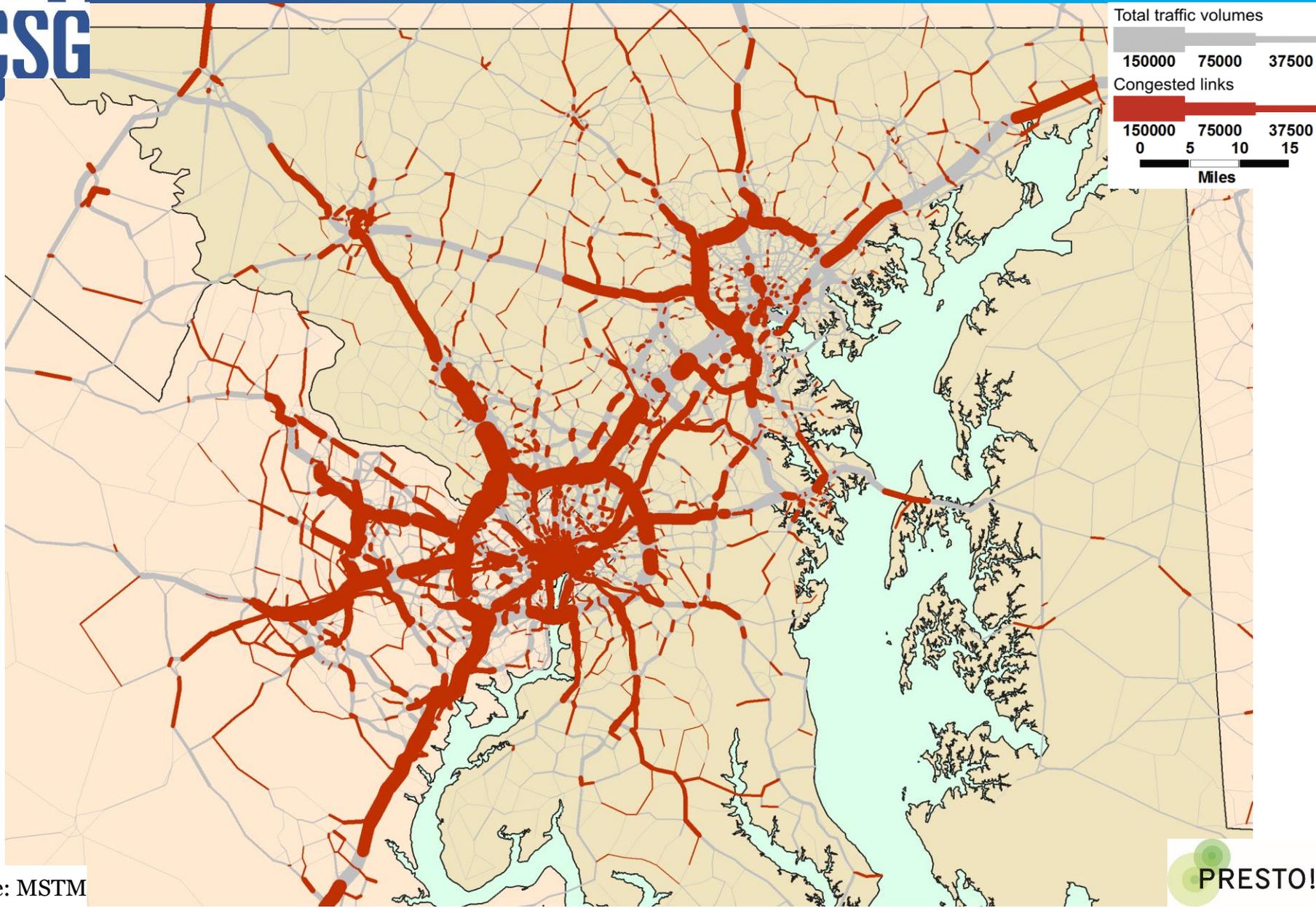


Figure 4.6 Traffic Volume and Congested Links in the Baltimore-Washington Corridor, 2007 to 2030



Source: Maryland State Transportation Model.

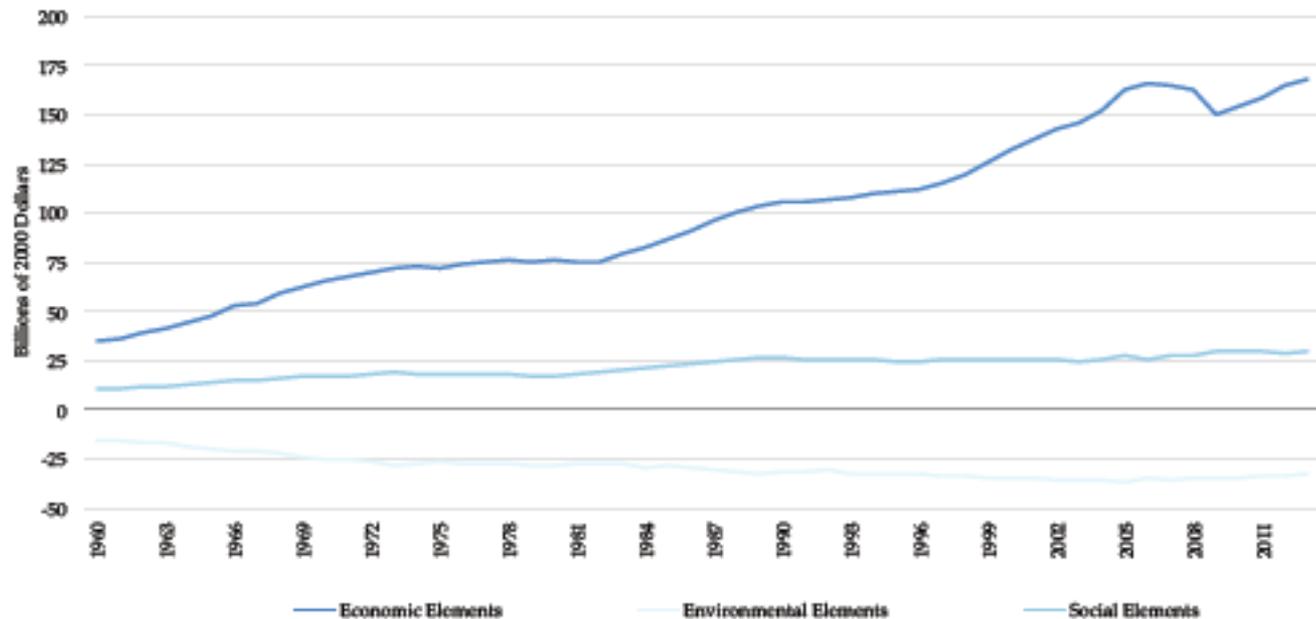
Congestion Worsens Almost Everywhere



Genuine Progress is Rising More Slowly than GDP



Figure 4.7 Genuine Progress Indicator Components for Maryland, 1960-2013



Source: Maryland Department of Natural Resources.

Maryland is Likely to Sustain its Current Relative Strengths



Figure 4.3 Projected Employment Trends in Maryland, 2015 to 2040

	Employment 2015	employment 2040	employment share 2040	employment growth 2015- 2040	Percent Increase 2015- 2040
Farm employment	15,800	14,100	0.3%	-1,700	-10.8%
Forestry, fishing, related activities, and other	6,200	6,000	0.1%	-200	-3.2%
Mining	5,000	4,400	0.1%	-600	-12.0%
Utilities	10,400	11,100	0.3%	700	6.7%
Construction	222,600	290,200	7.0%	67,600	30.4%
Manufacturing	110,700	93,900	2.3%	-16,800	-15.2%
Wholesale trade	96,000	106,000	2.5%	10,000	10.4%
Retail trade	347,800	372,700	9.0%	24,900	7.2%
Transportation and warehousing	100,700	116,200	2.8%	15,500	15.4%
Information	52,100	52,300	1.3%	200	0.4%
Finance and insurance	174,400	196,000	4.7%	21,600	12.4%
Real estate and rental and leasing	172,000	188,000	4.5%	16,000	9.3%
Professional and technical services	352,000	435,700	10.5%	83,700	23.8%
Management of companies and enterprises	30,800	49,100	1.2%	18,300	59.4%
Administrative and waste services	226,500	296,400	7.1%	69,900	30.9%
Educational services	97,700	144,000	3.5%	46,300	47.4%
Health care and social assistance	428,400	550,900	13.2%	122,500	28.6%
Arts, entertainment, and recreation	90,000	123,000	3.0%	33,000	36.7%
Accommodation and food services	237,100	290,900	7.0%	53,800	22.7%
Other services, except public administration	211,600	262,800	6.3%	51,200	24.2%
Government and government enterprises 3/	564,400	557,300	13.4%	-7,100	-1.3%
Total Employment	3,552,200	4,161,000	100.0%	608,800	17.1%

Source: Maryland Department of Planning.

Recommendations



- Capitalize on Enduring Strengths
 - Grow or maintain federal government employment
 - Use transportation investments to stimulate economic growth
 - Embrace diversity

Recommendations



- Address Persistent Weaknesses
 - Improve tax and regulatory environment
 - Support diverse and growing industries
 - Address regional economic disparities
 - Provide affordable housing in high opportunity areas
 - Use prices to help manage road capacity
 - Assess the state’s economic infrastructure
 - Track the consumption of ecosystem services
 - Update the states land use planning tools
 - Integrate economic development with smart growth

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